Government of Saskatchewan

Annual Report 1991-92

Saskatchewan Economic Diversification and Trade

Letters of Transmittal

The Honourable Sylvia Fedoruk
Lieutenant Governor
Province of Saskatchewan

May it Please Your Honour:

I respectfully submit the Annual Report of the Department of Economic Diversification and Trade for the fiscal year ending March 31, 1992.

Dwain M. Lingenfelter
Minister of Economic Development

The Honourable Dwain M. Lingenfelter
Minister of Economic Development

Dear Sir:

I have the honour of submitting the Annual Report of the Department of Economic Diversification and Trade for the fiscal year ending March 31, 1992.

Respectfully submitted

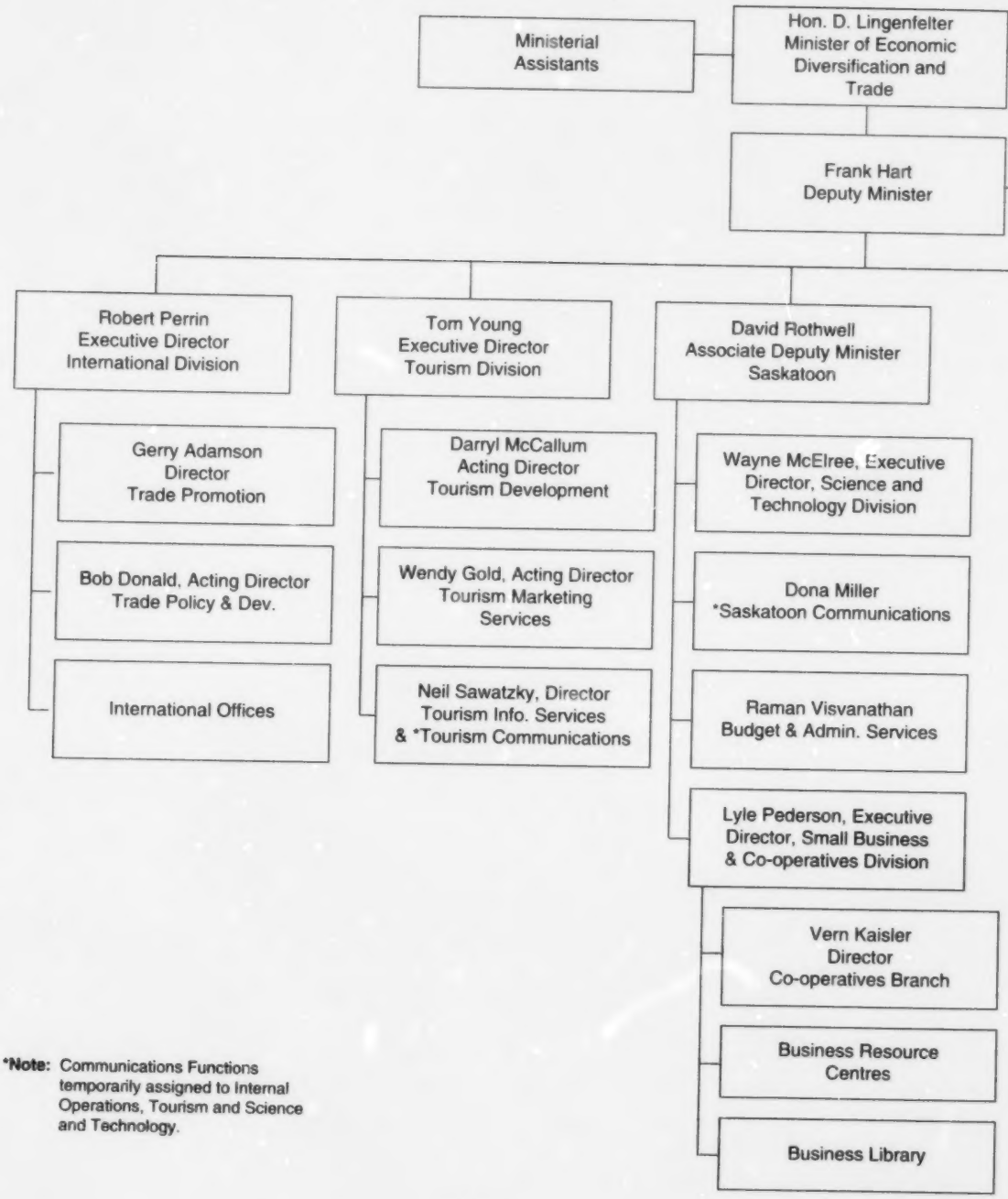
Frank Hart
Deputy Minister

Table of Contents

Organizational Chart 2
Mission Statement 3
Departmental Overview 4
Overview of the Saskatchewan Economy 9
Diversification and Investment Division 10
International Division 13
Tourism Division 15
Small Business and Co-operatives Division 18
Science and Technology Division 21
Policy and Research Division 24
Internal Operations Division 25
Community Bonds 29
Deputy Minister's Overview of the Future 30

Organizational Chart

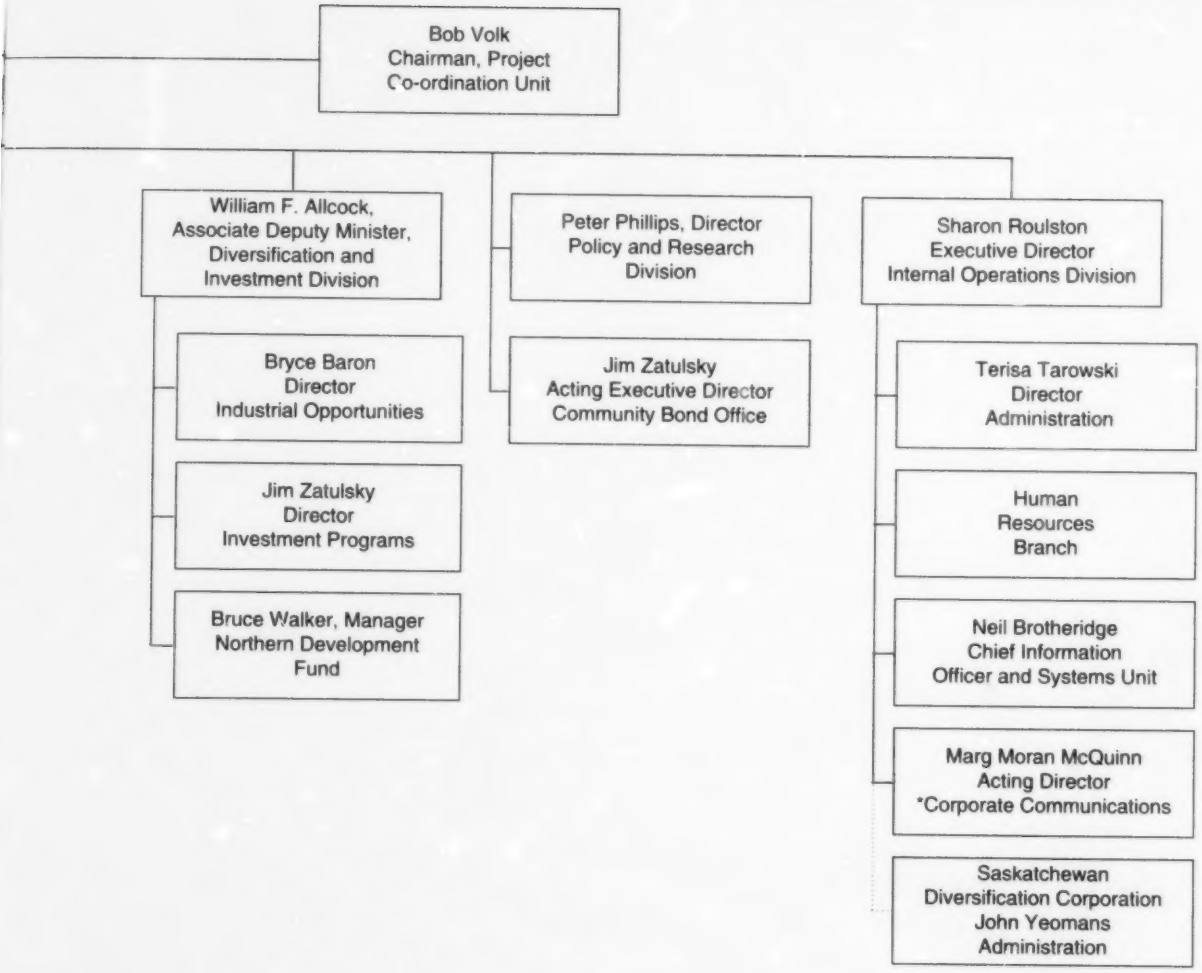
Saskatchewan Economic Diversification and Trade



***Note:** Communications Functions temporarily assigned to Internal Operations, Tourism and Science and Technology.

Mission Statement

To Work With Businesses, Communities and People to Expand and Diversify the Saskatchewan Economy



March, 1992

Departmental Overview

The department's mandate during the fiscal year was to develop, co-ordinate, promote and implement policies and programs of the Government of Saskatchewan that would:

- Encourage the development and diversification of the Saskatchewan economy, and improve the climate for economic activity;
- Maintain, expand and diversify Saskatchewan's export products and their markets;
- Increase the flow of investment from outside Saskatchewan, and develop investment projects that would enhance the province's export base;
- Stimulate development of an industrially-based advanced technology sector, and support research and development initiatives;
- Strengthen and expand existing industries;
- Secure and expand the basis for community economic development; and
- Establish a co-operative base for economic planning with business, labour and communities.

The department was re-organized into five program divisions and two support divisions in 1991/92 to improve its ability to fulfill this mandate. The program divisions delivered the majority of the department's programs and services.

- The International Trade Division was the business community's provincial contact on all matters regarding the out-of-province sale of Saskatchewan goods and services;
- The Science and Technology Division, headquartered in Saskatoon, dealt with all matters regarding the development and promotion of advanced technology and its application to economic diversification;
- The Small Business and Co-operatives Division encouraged and assisted business growth and diversification. This division included the network of Business Resource Centres located throughout the province;
- The Tourism Division was the principal contact on all matters directly related to tourism development, marketing, travel information, human resource training, research and planning;
- The Diversification and Investment Division helped existing businesses and potential entrepreneurs create or expand business activity in the province through project assistance, investment programs and services;
- The Policy and Research Division gave the department advice on policy and program development; and
- The Internal Operations Division provided financial management, human resources co-ordination and development, systems and information management, and communications programs and services for the department.

The department's mandate included administration of the following legislation:

- *The Community Bonds Act*
  Respects investments by Saskatchewan residents in support of community diversification and environmental protection.
- *The Co-operative Guarantee Act*
  Assists co-operatives that do not qualify for conventional loans, by way of a government guarantee of loans made by an approved lender.

  The Co-operative Guarantee Board, constituted under the authority of this Act, did not meet during the 1991-92 fiscal year. No applications for loan guarantees were received. There are two outstanding loans under the board's jurisdiction.
- *The Department of Science and Technology Act*
  All matters relating to the promotion, development, application, and co-ordination of science and technology in Saskatchewan.
- *The Economic Development and Tourism Act*
  Enables operation of the Community Tourism Assistance Program (CTAP) and the Destination Saskatchewan Programs.
- *The Industrial Incentive Program Act*
  Enables operation of the Industrial Incentive Program, established to stimulate economic development in manufacturing and processing and to create permanent employment. (Program ended March 31, 1987.)

- *The Industry and Commerce Development Act*
  To create new business opportunities in Saskatchewan, to revitalize existing business enterprises, and to promote tourism in the province in order to stimulate the provincial economy and to increase employment opportunities for Saskatchewan residents.

- *The Industry Incentives Act*
  To encourage the establishment, expansion and modernization of industry in certain areas of Saskatchewan.

- *The Labour-sponsored Venture Capital Corporations Act*
  To create, protect or maintain jobs in Saskatchewan as well as to stimulate the economy.

- *The Small Business Investment Incentives Act*
  To encourage provincial residents to participate in the Province's economic development by investing in equity shares of Saskatchewan-based corporations. (No further registrations are being accepted under this legislation.)

- *The Trade and Investment Act*
  Respects the planning, research, promotion, and program development and implementation, of trade and investment in Saskatchewan.

- *The Venture Capital Tax Credit Act*
  To assist in the diversification of the provincial economy by investments from provincial residents. (No further registrations are being accepted under this legislation.)

The department was also responsible for the administration of the following Acts, which were in the process of being repealed at the end of the reporting period:

- *The Agricultural Products Market Development Fund Act*; and

- *The Economic Development Foundation of Saskatchewan Act.*

  This Act is in the process of being repealed. It was never used, and no programming was administered under its authority.

In the 1991-92 fiscal year, the Department of Economic Diversification and Trade had a total staff complement of 231.5 persons. Of this total, 144.5 person years were assigned to Regina. The remaining departmental staff were located in 11 regional offices throughout the province.

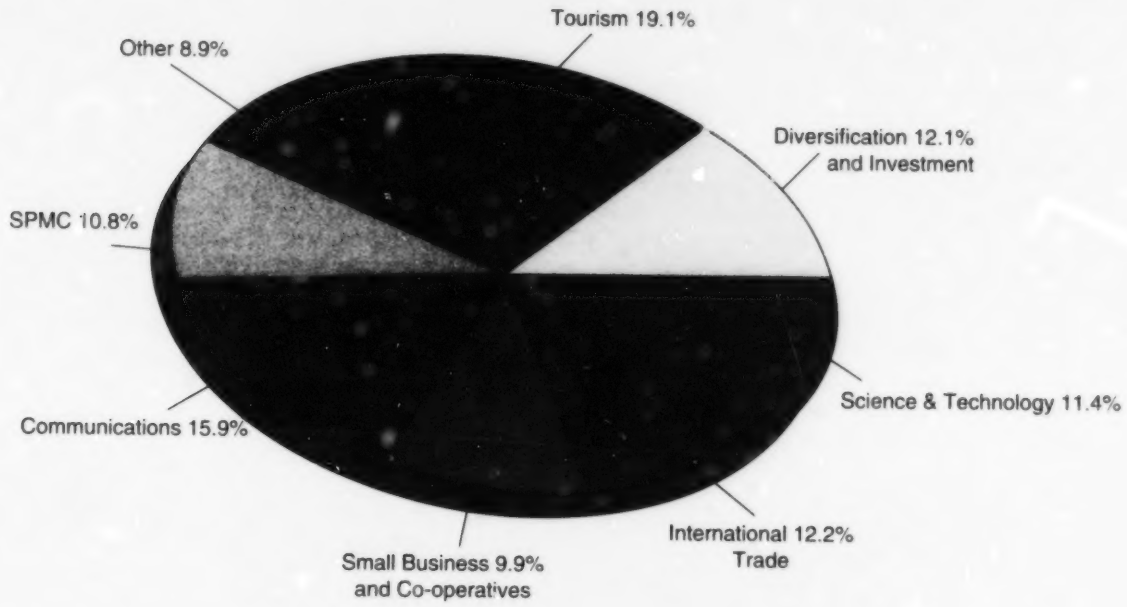
The 1991-92 fiscal year budget figures quoted in this report are estimates from the Blue Book, a government document of projected expenditures. The department's actual expenditures for the reporting period could not be included because year-end reconciliation and finalization were not complete at the time of printing.

The following overview of Saskatchewan's economy, and the detailed division reports, describe the economic environment in which the department operated, its specific goals and accomplishments during the fiscal year, and the varied clientele served.

The Deputy Minister's closing commentary puts the activities of the fiscal year into perspective concerning the long-term direction and mandate of the department.

1991-92 Blue Book Budget Request

Total Department and Fund



Total $ 34,434,370
PYs: 231.5

Ordinary Expenditure

Vote 45

Item		Estimated 1990-91	Person Years	Sub-vote		Estimated 1991-92	Person Years
Program Services							
1 Administration and Human Resources							
Personal Services	$	1,372,000	31.5		$	1,451,100	31.5
Others Expenses		762,500				803,000	
	$	**2,134,500**		**1**	**$**	**2,254,100**	
2 Policy and Research							
Personal Services	$	541,600	11.0		$	562,400	11.0
Other Expenses		216,500				168,300	
	$	**758,100**		**21**	**$**	**730,700**	
3 Communications							
Personal Services	$	541,500	15.0		$	640,500	15.0
Other Expenses		4,667,200				4,863,800	
	$	**5,208,700**		**36**	**$**	**5,504,300**	
4. Trade							
Personal Services	$	1,683,100	31.0		$	1,613,900	28.0
Other Expenses		2,255,900				2,039,900	
	$	**3,939,000**		**37**	**$**	**3,653,800**	
5. Science and Technology							
Personal Services	$	835,700	14.0		$	745,100	14.0
Other Expenses		658,600				423,100	
	$	**1,494,300**		**38**	**$**	**1,168,200**	
6. Diversification and Investment							
Personal Services	$	2,111,600	36.5		$	1,797,200	33.5
Other Expenses		1,642,000				1,088,200	
	$	**3,753,600**		**30**	**$**	**2,885,400**	
7. Tourism							
Personal Services	$	1,530,500	36.0		$	1,441,800	36.0
Other Expenses		2,170,100				1,714,300	
	$	**3,700,600**		**4**	**$**	**3,156,100**	
8. Business Services and Co-operatives							
Personal Services	$	2,559,600	62.5		$	2,742,100	62.5
Other Expenses		622,900				676,700	
	$	**3,182,500**		**2**	**$**	**3,418,800**	
9. Payments to Saskatchewan Property Management Corporation							
	$	**3,068,200**		**33**	**$**	**3,658,600**	
10 To provide for a net expenditure (recovery) of (from) the Northern Saskatchewan Economic Development Revolving Fund (Statutory)							
	$	**(197,600)**		**20**	**$**	**(197,600)**	

Item	Estimated 1990-91	Person Years	Sub-vote	Estimated 1991-92	Person Years
Payments to or on Behalf of Individuals					
11 Members of the Executive Council (Statutory)					
Members of the Executive Council and Legislative Secretaries to Members of the Executive Council	$ 81,000			$ 88,800	
	$ 81,000		**34**	**$ 88,800**	
Total for Economic Diversification and Trade Ordinary Expenditure	**$ 27,122,900**			**$ 26,321,200**	
Distribution of Above:					
Statutory Appropriation	$ (116,600)			$ (108,800)	
To Be Voted	**27,239,500**			**26,430,000**	
	$ 27,122,900			**$ 26,321,200**	
Expenditure by Category					
Program Services	$ 27,041,900			$ 26,232,400	
Payments to or on Behalf of Individuals	81,000			88,800	
	$ 27,122,900			**$ 26,321,200**	
Summary of Person Years					
Permanent		231.0			225.0
Non-Permanent		6.5			6.5
		237.5			**231.5**
Vote 66					
Economic Diversification and Trade					
3 Advanced Technology Development Programs					
	$ 3,000,000		**5**	**$ 2,796,200**	
4 Payments for Export Development Projects					
	$ 1,439,000		**2**	**$ 574,000**	
5 Payments for Industrial Development Projects					
	$ 1,785,000		**1**	**$ 712,000**	
6 Payments for Business Development Projects					
	$ 3,010,000		**3**	**$ 585,000**	
7 Payments for Tourism Development Projects					
Capital	$ 3,756,400			$ 1,375,000	
Non-Capital	2,226,000			2,071,000	
	$ 5,982,400		**4**	**$ 3,446,000**	
Total	**10,755,000**			**8,113,170**	

Overview of the Saskatchewan Economy

The Conference Board of Canada estimates that Saskatchewan's gross domestic product (GDP) was $19,422 million in 1991. In real terms, the board estimates output rose 0.8 per cent from 1990. In 1991 Saskatchewan had an average of 449,000 people employed. The province also had an average unemployment rate of 7.4 per cent, which was the lowest rate in Canada.

Another good grain harvest after the good crop in 1990 contributed significantly to the growth in 1991. In addition, non-farm business activity continued to grow during the year.

The Saskatchewan economy was supported through major construction projects such as the Husky heavy oil upgrader in Lloydminster, the $435-million SaskFerco nitrogen fertilizer plant in Belle Plaine, the $350-Millar Western pulp mill in Meadow Lake, the $12-million Pound-Maker Ethanol plant in Lanigan, and a $18-million improvement of IPSCO's metal pipe production facilities in Regina. Overall, Saskatchewan's combined public and private new capital investment in 1991 was $4.6 billion, up 1.0 per cent from 1990. In Canada as a whole new capital investment fell 7.0 per cent.

Saskatchewan's business indicators showed the effect of the deep recession in Ontario and Quebec in 1991. The value of shipments of goods manufactured in Saskatchewan declined 4.9 per cent to almost $3.6 billion. The total retail sales for Saskatchewan declined by 6.4 per cent to $5.2 billion in 1991.

Events in 1991 confirmed that the Saskatchewan economy is continuing to diversify with new firms, new products and new markets.

- New capital investment in Saskatchewan's manufacturing totalled more than $1 billion in 1991, up 28 per cent from 1990;
- A greater variety of manufactured products is being made in Saskatchewan than ever before. These manufacturing activities include wood mills and paper manufacture, heavy oil upgrading, manufacture of recreational vehicles, plants to make bacon and pork, manufacture of IV solutions, steel fabrication, manufacture of hydro turbines and electrical cable, glass tempering, chemical and fertilizer production, manufacture of velcro furniture, and the design of computer software; and
- Exports of non-traditional goods such as processed foods, specialty crops, manufactured goods, and technology products totalled $1.16 billion in 1991, down slightly from the 1990 level, but up 19 per cent over 1988 figures.

Diversification and Investment Division

The division's primary objective was to help potential entrepreneurs and existing businesses create and/or expand business activity by providing investment programs and services.

Budget Summary

	1990-91		1991-92	
	Budget ($)	PYs	Budget ($)	PYs
Administration	n/a		310,180	1 prof/1 support
Industrial Opportunities	1,092,550	10 1/2	1,303,300	12 prof/2 1/2 support
Investment Programs	781,840	11	714,890	7 prof/2 support
Northern Revolving Fund	661,330	4	178,360	1 prof/3 support
Special Projects	120,000	4	378,670	4 prof/0 support
Total	2,655,720	36 1/2	2,885,400	25 prof/8 1/2 support
Economic Diversification Investment Fund	4,985,000		1,297,000	

The division met its goal through the following activities:

- Provision of technical and advisory assistance to developers, investors, entrepreneurs and firms attempting to create or expand economic development projects in Saskatchewan;
- Provision of advice and information to other agencies, entities and communities with respect to furthering economic development projects. A data base of information was maintained to ensure clients quickly received the pertinent information they required;
- Identification, encouragement and assistance for projects which could bring employment, investment, and diversification to Saskatchewan communities; and
- Research and analysis to identify prospective projects and cost-shared market feasibility studies with project proponents.

Staff worked with more than 350 individual companies during the year. Of these, twenty-one companies completed new industrial projects during the year, which resulted in more than $230 million in new investment, the creation of about 500 new jobs, and the retention of more than 300 existing jobs.

If measured strictly against direct jobs created or maintained in the 21 specific projects noted above, the division's cost would approximate $1,400 per job.

A Western Partnership Agreement for Culture was negotiated with the federal government. The program will provide $1.35 million over 4 years to fund marketing, distribution and professional development for the film, sound recording and publishing industries.

Seventeen cost-shared studies with clients were completed at a cost of $105,044. The studies concerned industrial projects with the potential for more than $30 million in new investment and 140 new jobs.

Support services were provided to the Board of Directors of the Saskatchewan Diversification Corporation with respect to 16 projects in which the corporation had a financial interest.

The division was also responsible for the following programs:

Northern Revolving Fund

NOTICE TO READER: Certain information has been taken from preliminary financial statements for the fiscal year ended March 31, 1992. These statements have been prepared for audit purposes, but are subject to final audit adjustment.

Authority for program establishment and operation is contained in Section 5 of *The Northern Saskatchewan Economic Development Act* (administered by the Department of Community Services) and Sections 7.1 and 9.1 of *The Economic Development and Tourism Act.*

The mandate of this regional program, with headquarters in La Ronge, was to provide full-term, fixed-interest-rate operating and capital loans to eligible entrepreneurs who lived in northern Saskatchewan. By providing loans for small business development, the program's long-term goals included increased economic diversification activity; northern employment creation or maintenance; increased equity investment; more conventional lending activity; and education of northern business persons to conventional lending practices.

All program-lending activities were suspended November 1, 1991. Processing of applications for less than $10,000 (primarily traditional resource users) resumed in December, 1991. Loan applications requesting in excess of $10,000 were deferred until the 1992-93 fiscal year.
Highlights of the fiscal year included:

- Establishment of the 1991-92 lending rate at 10 per cent simple interest per annum;
- Receipt of 118 loan applications requesting more than $5.0 million;
- Approval of 67 loans in the principal amount of $3.777 million;
- Actual loan principal advances of $3.677 million;
- Attraction of new investment of $1.315 million (applicant equities and other leveraged financing);
- Leverage rate (loan/new investment) was 2.9 : 1;
- Creation of 32, and maintenance of another 180, person-years of northern employment;
- Program receivables totalling $14.822 million;
- Portfolio arrears totalling $2.3 million (15.5 per cent delinquency rate);
- Liability due the Minister of Finance, net of allowances for doubtful accounts, totalling $12.056 million;
- Of program's $20.0-million statutory limit, $7.944 million was available to lend;
- Loan principal and interest collections were $4.449 million, the second highest level achieved (1990-91: $4.661 million);
- Revenue from all sources totalled $1.312 million; and
- Administrative expense totalled $807,875 (included $434,929 allowance for doubtful accounts).

Northern Revolving Fund 1991-92 Program Summary (as of March 31, 1992)

	(#)	($000s)	Avg/Ratio
Loan Activity:			
Commercial	25	3,566	$142,640/loan
Primary production	42	211	$ 5,024/loan
Total	67	3,777	$ 56,373/loan
Impact:			
Equities contributed	–	617	6.1:1
Financing leveraged	–	698	5.4:1
Total new investment generated		1,315	2.9:1
Direct jobs created	32	1,275	$ 39,844/job
Direct jobs maintained	180	2,502	$ 13,900/job
Total direct jobs	212	3,777	$ 17,816/job
Collections:			
Principal & Interest	–	4,449	–

Labour-sponsored Venture Capital Program

This program facilitated raising equity capital and employees becoming shareholders in Saskatchewan businesses. It provided a tax credit to Saskatchewan employees equal to 20 per cent of equity investments in qualifying Saskatchewan-based businesses. The federal government also provided the investor with a 20 per cent tax credit. The program operated under the authority of *The Labour-sponsored Venture Capital Corporation Act.*

In 1991-92 a total of $8.392 million was raised for equity investments; program costs were $1.678 million. The $8.392 million included $8.211 million raised by Working Ventures Fund, a fund registered under federal legislation. These funds are now available for the Working Ventures Fund to invest in equity in qualifying Saskatchewan manufacturing companies.

Small Business Investment Incentives Program

The program was created to stimulate the economy by encouraging equity investments in qualifying Saskatchewan firms. A 25 per cent cash grant of their equity investments was provided to investors. The program was discontinued in August 1990 except for projects significantly advanced at that date. The program operated under the authority of *The Small Business Investment Incentives Act.*

Two eligible businesses raised $2.189 million in equity funding during the year; program costs totalled $475,000. Staff monitored all projects for continued compliance with the Act. One corporation was deregistered and cash grants totalling $50,000 were recovered.

Venture Capital Program

The program stimulated the growth of the business sector by giving a 30 per cent tax credit for investments in a Venture Capital Corporation. The corporation would then invest in eligible small businesses. The program was discontinued on December 1, 1989 except for projects significantly advanced at that date. The program operated under the authority of *The Venture Capital Tax Credit Act.*

No program expenditures were incurred in 1991-92. Existing projects were monitored for compliance, resulting in the deregistration of 14 Venture Capital Corporations and the recovery of tax credits totalling $15,420.

Business Immigration Program

This program is a shared federal/provincial endeavour to encourage experienced business people to immigrate to Canada in order to establish businesses, or to make substantial investments in existing businesses. Proponents of an Immigrant Investor Fund cannot apply directly to the federal government. The target province must request that the federal government approve each fund.

The federal government reported that, in calendar year 1991, 34 entrepreneur and self-employed category immigrants landed in Saskatchewan. Each immigrant was reported to have brought an average of almost $1 million to Canada.

The federal government reported 1,743 immigrant investors subscribed for $302 million for Saskatchewan projects from 1986 to April 1992. Immigration funds invested $158 million into Saskatchewan businesses that created 1,393 jobs. On March 31, 1992, 18 Saskatchewan-based Investor Funds were being sold around the world. These funds have a potential to raise an additional $214 million for investment in Saskatchewan projects.

International Division

The International Division represented the Government of Saskatchewan in trade policy issues, and provided services to businesses to help them enter markets outside Saskatchewan.

Budget Summary

	1990-91		1991-92	
	Budget ($)	**PYs**	**Budget ($)**	**PYs**
Administration	259,090	2	129,750	1 prof/1 support
Trade Promotion	999,370	13	1,225,350	13 prof/1 support
Trade Policy/Development	1,182,100	12	717,900	7 prof/2 support
International Offices	1,580,570	6	1,580,800	3 prof/0 support
Total	4,021,131	33	3,653,800	24 prof/4 support
Economic Diversification Investment Fund	1,439,000		574,000	

The division was the government's centre of expertise for all trade policy and trade development matters. Trade policy and development staff co-ordinated and developed international trade briefings and secretariat support for the Minister and Executive Council. They also provided support and technical expertise to various departments whose mandates are affected by trade disputes. Their three primary activities were participation in trade negotiations, management of trade disputes, and development of trade opportunities.

Saskatchewan's input into General Agreement on Tariffs and Trade (GATT) negotiations was handled by the branch through federal negotiating teams. A successful outcome of the Uruguay Round of negotiations is vital to the health of the provincial economy. About a third of the province's annual Gross Domestic Product (GDP) is directly attributable to the export of Saskatchewan products to the world. Failure at the GATT would most certainly harm the provincial agriculture industry.

Trade policy officials directed provincial input into the Canada-US-Mexico free trade negotiations, which encompassed issues of provincial jurisdiction within the Canadian federal system. Saskatchewan must remain an active participant in discussions so our interests are not ignored.

Issues of provincial jurisdiction were also on the agenda of both the GATT and the Canada–US Free Trade Agreement. The province maintained an active role in the implementation of these agreements so that our interests were represented in the best possible light.

Trade policy officials co-ordinated and managed Saskatchewan's participation in negotiations to remove or reduce interprovincial trade barriers. This resulted in the implementation of intergovernmental agreements on alcoholic beverages and government procurement. Officials continued to work under Ministerial guidance to identify and remove practices which restrict interprovincial trade.

Saskatchewan's positions on Canada–United States and other country trade disputes that affected Saskatchewan industry were developed and explained. Saskatchewan business interests were represented by trade policy officials or retained consultants in recent trade actions:

- Pork: American actions resulted in more than a 50 per cent drop in Saskatchewan export values since 1989. Canada successfully fought this action;
- Live swine: The United States was ordered to review its calculations of countervailing duties in 1988-89, which resulted in lost markets for Canadian exporters;
- Uranium: A dispute with the European Community resulted in a negotiated settlement that provided more secure access for Saskatchewan's more than $300-million annual world exports;

- Alcoholic beverages: Separate disputes with the United States and the European Community resulted in GATT panels deciding that both the Canadian and American governments discriminate against imported alcoholic beverages (beer). Changes to policies, practices and regulations are being negotiated. Provincial economic activity from the manufacture and sale of beer amounts to more than $100 million annually; and

- Softwood lumber: A relatively small amount of provincial exports is affected by an American countervailing duty investigation. A larger issue than the potential loss of $15 million in exports is the issue of the right of provinces to establish resource pricing policies. Canada is also seeking remedy through the GATT.

Expenditure constraints permitted the establishment of only a limited market research and development activity. One officer identified and developed opportunities in new and existing markets, concentrating on developing markets in the Peoples's Republic of China, Kazakhstan, Ukraine, the Baltic States, Malaysia and Hungary. Some notable achievements were:

- A Saskatchewan company was selected as the only Canadian company to act as consultant for the World Bank on China grain handling and storage project;

- A Saskatchewan company signed a contract to establish a turn-key lean swine production unit in Kazakhstan; and

- A Saskatchewan company recently shipped its first order for field sprayers to Russia.

To support these efforts, staff developed and maintained a data base of trade statistics and related publications.

Trade promotion staff worked with Saskatchewan manufacturers, producers, service companies and associations to increase international sales of Saskatchewan goods, services and technologies. Trade promotion officers provided consulting services to companies regarding markets, marketing strategies, export potential and requirements. Their main objectives were to:

- Increase export support under The Export Marketing Assistance Program (EMAP) to $500,000, with greater effort on developing new exporters and new markets (the program provides funding for short-term market activities related to immediate export opportunities for goods and services);

- Concentrate the promotional, market development and international office efforts on marketing and developing agreements; and

- Undertake trade missions to priority markets of the United States, Japan, Korea, Mexico and South America, and to ensure leads developed on the missions are followed up to maximum advantage.

The major accomplishments were:

- Seven trade officers organized 41 trade events involving 133 companies and generating 3,533 leads, $2,274,000 in direct sales and $21,000,000 in projected sales. Direct costs to the division were $285,000. The majority of these activities were undertaken in our priority markets of the United States, Japan, Korea, Mexico and South America. As the results indicate, the staff focused on marketing and developing agreements;

- The division supported educational seminars on exporting;

- EMAP, with $500,000 budgeted but on hold for most of the year because of spending restraints, funded 39 marketing initiatives. The $31,570 in grants to 35 companies resulted in reported sales of $394,455 and projected sales of $5,469,570;

- The Trade Opportunity Program (TOP) disbursed $30,000 to four companies. The program cost-shared graduate employees' salaries and export travel expenses. This was the final year of operation for TOP; and

- The International Offices helped Saskatchewan exporters establish contacts and develop new markets for Saskatchewan products in Eastern and Mid United States, and in Europe. Reported sales exceeded $1.3 million and included food products, software, recreation vehicles and jewellery.

The department closed offices in London, Hong Kong, Zurich and Minneapolis during the fiscal year. The office in New York remains active.

Tourism Division

The Tourism Division provided support to the tourism industry and the travelling public through advertising and marketing programs, comprehensive travel counselling services, career awareness and certification programs, tourism research and assistance to new tourism developments.

Budget Summary

	1990-91		1991-92	
	Budget ($)	PYs	Budget ($)	PYs
Administration	259,090	2	129,780	1 prof/1 support
Executive Director's Office	148,130	3	150,530	1 prof/2 support
Tourism Development	385,800	7	536,850	7 prof/1 support
Tourism Marketing	1,029,520	11	959,100	9 prof/2 support
Tourism Information	2,370,630	13	1,509,620	6 prof/8 support
Total	3,834,080	34	3,156,100	23 prof/13 support
Economic Diversification Investment Fund	5,792,400		3,446,000	

Division objectives in 1991-92 were to:

- Work co-operatively with the industry on marketing and advertising programs and work more closely with the federal government and other provinces on tourism matters of common concern;
- Work with the industry to organize and market itself on a regional basis, and help establish the framework for two new destination regions;
- Develop ways in which Saskatchewan can better match its tourism products and tourism strengths with existing and potential markets;
- Negotiate a Western Economic Partnership Agreement in Tourism with the federal government; and develop memoranda of understanding with the five western jurisdictions on research, marketing, job standards and certification; and
- Increase per-trip expenditures by $5 per trip over inflation by 1996 and increase visits by two to three per cent annually.

Tourism Advertising Programs

The government conducts tourism advertising to increase awareness of, and visits to, Saskatchewan from the province's primary and developing travel markets. Specific goals for 1992 advertising were to increase inquiries by 25 per cent over the 1991 figure and to increase the number of ad-related inquirers who actually visit Saskatchewan by two to three per cent over the number who visited in 1990.

As tourism advertising campaigns are designed on a calendar year, the reporting period reflects parts of two campaigns. The 1991 campaign, "Discover the Smart Secret", used a presenter, television actor Don Adams ("Maxwell Smart"). The campaign featured television, radio and print advertising plus direct mail to potential visitors in the province's primary markets.

The 1992 campaign was designed in consultation with representatives of Saskatchewan's tourism industry and included input from a series of minister's workshops with industry. The "Saskatchewan . . . Where You Belong" campaign focused on Saskatchewan's strongest tourism products and its primary markets.

The expenditure for tourism advertising was $2,761,310 in 1991-92 for elements of both the 1991 and 1992 campaigns; the bulk of this expenditure was paid from the communications budget.

The number of tourism inquiries to the department is one measure of the effectiveness of department advertising campaigns. The following table provides some historical perspective on total tourism inquiries and the number generated by advertising.

Tourism Inquiries Received by the Department of Economic Diversification and Trade

Calendar Year	Tourism Inquiries	Ad-Related Inquiries	Advertising Per cent Share
1987	77,162	28,627	37.1
1988	103,486	49,892	48.2
1989	178,039	133,628	75.0
1990	179,543	134,106	77.8
1991	104,751	60,500	57.8
1992 (to March)	31,090	19,180	61.7

In addition, Saskatchewan Visitor Reception Centres located at five key entry points to the province handled 87,854 inquiries during 1991, a decrease of 7.5 per cent from the number for the previous year.

Travel Counselling and Travel Literature

The division provides a toll-free tourism inquiry and travel counselling service. The table indicates the volume of inquiries counsellors answer each year. It also handles data collection of attractions and events for the government's tourism publications. The division distributes a series of five publications for tourists: The Great Saskatchewan Vacation Book, Saskatchewan Outdoor Adventure, Saskatchewan Accommodation, Saskatchewan Winter and Saskatchewan Events. Through various printing efficiencies, the department reduced the cost of the 1992 tourism publications by 42 per cent from that for the 1991 series.

Tourism Development Programs

The division offered a number of programs to communities and industries to develop, market and package their tourism destinations. Program dollars came from the Economic Development Investment Fund and totalled $3,021,302 during the year under review.

Those monies break down as follows:

- $899,348 in funding to communities on the Community Tourism Assistance Program (CTAP). The program was established in 1988 to support marketing and capital development projects of local non-profit tourism organizations. Since its inception in 1988 the program has provided $3,037,766 in government assistance to 105 communities. As many of these communities are now sufficiently advanced in their planning and marketing, the program is being sunsetted;

- $1,445,993 in funding to the tourism industry under the Destination Saskatchewan programs, which had been set up to encourage the development of new tourism attractions, events and travel packages for major target markets. The government assistance was directed to 33 projects valued at $3,278,309. The Destination Saskatchewan assistance also included $208,800 in funding for six studies on new tourism destination regions for the province;

- $311,568 in support to the Tourism Industry Association of Saskatchewan (TISASK) for its activities. The government has provided assistance to TISASK since the organization was formed in 1986, but as a result of increased TISASK revenue-generating activities, that assistance now accounts for only 47 per cent of TISASK's funding; and

- $364,393 in other grants to the tourism industry, including both events and new developments.

Individual development projects are audited regularly and statistics are available on the amount of private sector monies that have been levered by government funding. However, an analysis of the overall effectiveness of development programs will not be possible until provincial tourism data collected in 1994 are compared to the data collected in 1988.

Development programs are being redesigned to meet the growing trend to regional development and marketing.

Tourism Marketing

During the reporting period the division undertook a number of direct marketing activities in partnership with industry to enhance Saskatchewan's image as a travel destination and increase the industry's direct sales in the province's primary and key product markets.

These activities generally consisted of participation in travel shows and trade marketplaces and organization of sales missions. Five tourism industry consultants made direct contact with 80,000 consumers at 14 shows and with 1,091 travel industry officials, tour operators and travel influencers at 17 trade shows or marketplaces. Results of these efforts should be known in one to three years depending on nature of the activity.

Tourism Operations and Research

The division is assisting the tourism industry, through the Saskatchewan Tourism Education Council, to have national or regionally accepted standards developed for 27 tourism positions by 1994-95. The division is also helping industry in the development of certification programs (i.e., involving course work) for 15 tourism occupations by 1994-95.

During the reporting period, industry and the division developed and validated six job standards and developed two certified occupations.

The division also conducted research to assist industry in the marketing of its tourism products. Eight market studies were completed during the year on such topics as Saskatchewan resident travel and parks use, advertising awareness and convention activity.

Western Economic Partnership Agreement

Late in the fiscal year the department signed a $5 million, five-year Western Economic Partnership Agreement on Tourism. The agreement provides for programming support to industry and government initiatives in international market development, Canadian market development, product development and business services and research.

The division also signed three memoranda of understanding with the other western provinces and territories allowing for joint and shared research, marketing and job standards development.

Small Business and Co-operatives Division

The division's objective was to encourage and assist entrepreneurship through business/ co-operative growth and diversification.

Budget Summary

	1990-91		1991-92	
	Budget ($)	**PYs**	**Budget ($)**	**PYs**
Regina	391,160	6 1/2	445,180	5 prof/1 1/2 support
BRCs:				
Regina	470,040	10	441,360	7 prof/2 support
Saskatoon	477,620	11	497,990	9 prof/2 support
La Ronge	494,730	9	492,860	8 prof/1 support
Prince Albert	263,470	5	279,430	4 prof/1 support
Meadow Lake	95,650	2	91,890	1 prof/1 support
Yorkton	134,100	3	141,510	2 prof/1 support
Estevan	134,480	3	146,650	2 prof/1 support
Moose Jaw	142,400	3	162,430	2 prof/1 support
North Battleford	136,850	3	155,040	2 prof/1 support
Lloydminster	45,750	1	20,530	
Swift Current	127,350	3	150,310	2 prof/1 support
				prof/1 support
Business Opportunities Show			52,080	
Business Library			121,260	1 prof/0 support
Co-operatives Branch	265,100	5	266,600	4 prof/1 support
Total	3,178,700	34 1/2	3,418,800	49 prof/14 1/2 support

Business Resource Centres

A network of 13 Business Resource Centres (BRCs) gave Saskatchewan's business community a local contact point with government. The BRC staff gave front-line delivery for business-related programs for this department and all other federal and provincial government departments and agencies. They also provided a means for the government to communicate other business-related information to the business community.

The BRC field workers responded to the needs of their clients, including basic inquiries for information, referrals, use of the Business Resource Centre library, and in-depth help for potential or existing businesses starting, expanding or in difficulty.

An ongoing goal of the division is to assure that the Saskatchewan public, especially those people who currently have business interests, are aware of the services of the Business Resource Centres.

Surveys were conducted to measure public awareness of the business services available, with the following results:

- Are you aware of the services of the Saskatchewan Business Resource Centres?[1]
  24 per cent
- Have you ever visited or called one of the Saskatchewan Business Resource Centres?
  - all Saskatchewan businesses
    20 per cent
  - all Saskatchewan public considering going into business
    22 per cent
  - all Saskatchewan general public
    9 per cent
- Have you sought advice from the provincial government?[2]
  23 per cent

(1) Omnibus survey of 1,186 Saskatchewan adult general public.
(2) National Entrepreneurship Development Institute survey of all Saskatchewan new businesses started in the last five years.

The division gave entrepreneurs basic business information. During the fiscal year, the BRC staff responded to a total of 23,613 inquiries.

Another ongoing responsibility is to help potential or existing businesses that are starting up, expanding or in difficulty. Help was provided to the following sectors during the fiscal year:

Manufacturing	1,585
Primary Industry	609
Retail/Wholesale	2,349
Construction/Transportation/ Communication	383
Service	4,016
Hospitality	777
Total	9,719

Completed Client Projects:	
Jobs Created	770
Jobs Saved	371
Total Jobs	1,141
New Investment	$24,777,000

During the fiscal year, surveys were conducted to measure the value of the services provided to clients by the BRC staff. The following responses were received:

- Did you find the services of the Business Resource Centre useful?(1)
  76 per cent
- Were you satisfied with the assistance you received?(2)
  88 per cent
- Did you find the advice received helpful?(3)
  78 per cent

(1) Omnibus survey of 1,186 Saskatchewan adult general public.

(2) Department survey of 17 per cent of the clients visiting the Business Resource Centres in September, 1991.

(3) National Entrepreneurship Development Institute survey of all Saskatchewan new businesses started in the last five years.

The division encouraged and fostered entrepreneurship and small business start-ups and growth. Staff worked with individuals through the BRCs, and conducted the following specific projects:

Business Opportunities Show

The Business Opportunities Show (BOS) was held September 27–29, 1991, at Saskatchewan Place, Saskatoon. The show attracted 154 exhibitors, and 4,442 visitors from 301 Saskatchewan communities. The department surveyed a representative sample of visitors, and found that their experiences at BOS resulted in 10 per cent starting or expanding a business, and 58 per cent finding business opportunities to pursue.

Home/Farm-Based Seminars

During April/May, 112 participants attended a total of 10 seminars held in 10 Saskatchewan rural communities (completing a series started in July 1990). A total of 59 seminars were held, with a total attendance of 514 individuals. Eighteen per cent of the participants started a business, and 36 per cent are pursuing business opportunities because of their experiences at the seminars.

Other Projects

Division staff assembled information on all vacant commercial and industrial buildings available for business expansion or development in the province. A survey of all Saskatchewan communities, completed through the BRCs, gathered information on 940 buildings.

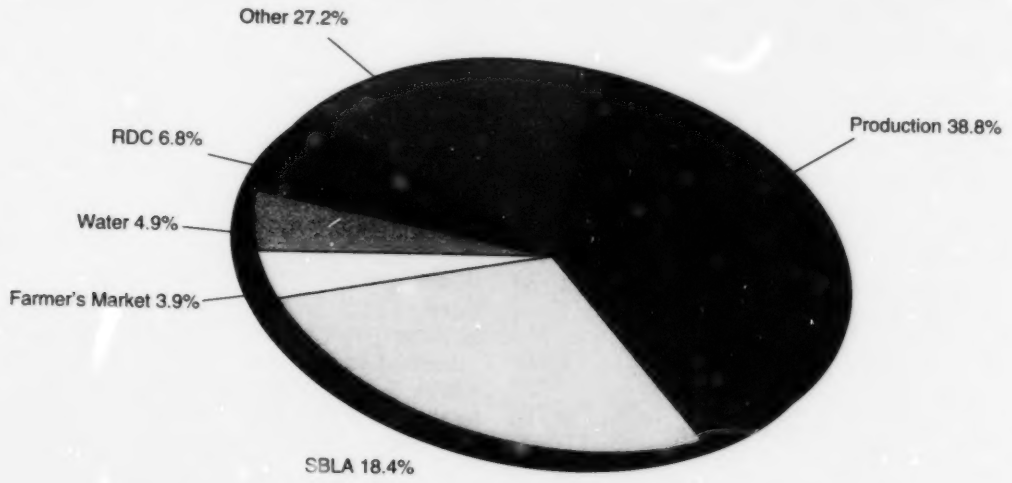
Co-operatives

The division had a responsibility to enhance the economic and socio-economic growth and diversification of the province by encouraging and supporting the use of the co-operative model. Co-operatives Branch staff developed a Co-operative Strategy for Saskatchewan as a result of recommendations from sector partners through the Canadian Co-operative Association and Co-operative Advisory Board. The focus of the strategy was agriculture, community development and health care.

The following types of co-operatives were established under various programs during the fiscal year:

Production Association Loan Guarantee Program	40
Small Business Loan Association Program	19
Rural Development Corporation Program	7
Water Development Program	5
Farmers Market Program	4
Non-government Programs	28
Total Incorporations	103

Percentage of Incorporations by Type



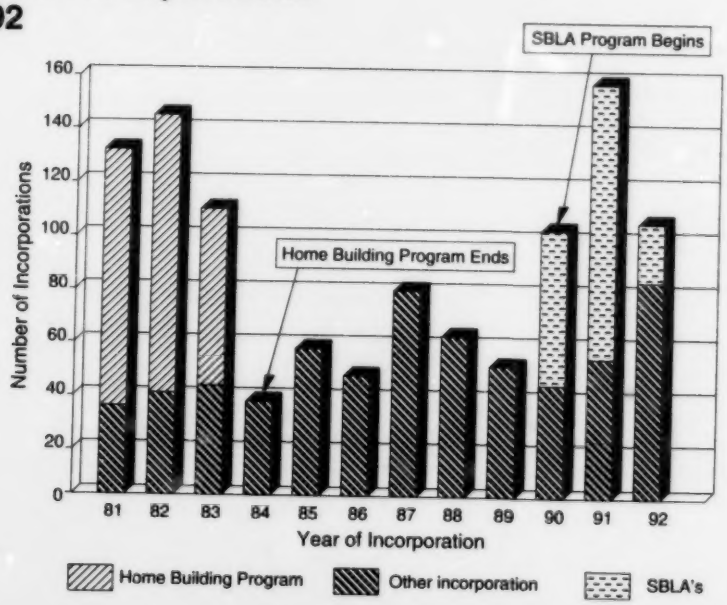
Assistance provided by staff included:

- Development of a series of fact sheets;
- Production of a publication in French on the Community Bonds Program to encourage co-operative development in the French community;
- Production and distribution of a Co-operative Directors Handbook; and
- Distribution of Co-operative Advisory Board newsletters.

Sector communication and liaison activities included:

- Co-ordination of Co-operative Advisory Board meetings;
- Participation as a non-voting member of the Canadian Co-operative Association;
- Co-ordination of meetings between the Minister Responsible for Co-operatives and chief executive officers of the major Saskatchewan co-operatives; and
- Participation on the Task Force on Co-operatives and Community Economic Development.

Co-operative Incorporations 1981-1992



Science and Technology Division

The Science and Technology Division developed, co-ordinated and promoted science and technology activities in Saskatchewan. Within this mandate, staff stimulated development of an industrially-based advanced technology sector.

Budget Summary

	1990-91	1991-92
PYs	17.5	14.0
Budget:		
Operations	$1,849,300	$1,168,200
Advanced Technology Development Programs	3,000,000	2,285,200
Communications Technology Partnership Programs	0	511,000
Environmental Technology Development Program	300,000	300,000

The division supported the development of a research infrastructure, and co-ordinated the activities of industry, government, universities, and public research institutions. Emphasis was placed on Saskatchewan's participation in international, national and inter-provincial initiatives, and encouragement of investment in technology development in the province. Public awareness efforts stressed the importance of educational and employment opportunities in science and technology fields, and expanded public awareness of the importance of science and technology to Saskatchewan's economic and social well-being.

Advanced technology strengths in Saskatchewan include aerospace, software, communications, biotechnology, electronics and instrumentation. Since 1982, the advanced technology sector has grown from 40 firms, 1700 employees and sales of $80 million to over 200 firms, 5000 employees and annual sales of almost $750 million. Approximately 20 research institutions and two universities carry out research leading to new technology products and businesses. Total product sales revenue plus research and development expenditures account for approximately $1 billion annually.

Support To Industry

The risk of innovation and new product development was shared with advanced technology companies through a seven part science and technology program. During the fiscal year, assistance of $2,280,582 was provided for 46 research and development projects conducted by 32 companies and organizations through the following programs:

- Industrial Research: to encourage research, development and new product/process development by Saskatchewan firms;
- Joint High Tech Research: To support projects in technology fields of high provincial priority;
- Request for Proposals: To help Saskatchewan companies compete for large research and development procurement projects originating outside the province;
- Feasibility Studies: To help small and medium companies with limited marketing and technical capability in assessing whether a proposed product is technically feasible and if it will sell;
- Information Transfer: To bring industry-oriented technological information into the province through such activities as seminars, conferences and guest speakers;
- Research Infrastructure: To aid creation of the necessary support functions needed in the province to support a viable advanced technology sector; and
- Capital Equipment: To share the cost of research and development equipment required to perform specific research contracts with industry.

In addition to these ongoing programs, two additional programs were negotiated to assist specific advanced technology sectors:

The Communications Technology Partnership Programs, part of the Canada-Saskatchewan Partnership Agreement in Communications Technology, are aimed at expanding and speeding up the development of communications technologies, systems, applications and services. The two components of this program are:

- Product Development and Technology Transfer: To share the cost of the development and market introduction of advanced communication products; and
- Technology Applications: To share the cost of communications technology applications for services to rural and remote Saskatchewan communities.

The Environmental Technology Development Program, a five-year-$1.5-million initiative approved in 1990-91 under the Environmental Protection Fund, is designed to assist Saskatchewan companies and researchers develop and test technologies which will help protect the environment. During the fiscal year, $184,910 in financial assistance was provided for eight environmental projects conducted by eight companies.

Policy and Programming Accomplishments

- A five-year-$10-million Canada/Saskatchewan Partnership Agreement in Communications Technology was negotiated to assist in the development and use of new communications technologies in Saskatchewan for national and international markets;
- A Saskatchewan Telecommunications Research Lab was established in Saskatoon, as part of a network of communications research laboratories across western Canada known as TR Labs. Special access to research for smaller Saskatchewan companies was negotiated as a condition of provincial support;
- Provincial support was negotiated and announced for the establishment in Saskatoon of Promavia, a jet aircraft manufacturing and training facility. The project is expected to create some 300 jobs by mid 1992;
- Five companies were awarded Phase One contracts, totalling $449,000, under the Strategic Technologies in Automation and Robotics (STEAR) Program. This $1-million-federal-provincial initiative is intended to enhance Saskatchewan capabilities in space technology, robotics, and artificial intelligence. Industrial development as a result of this four year program is expected to have both space and terrestrial applications in the areas of resource management and environmental monitoring and protection;
- A Memorandum of Understanding was negotiated between the National Research Council and the Province of Saskatchewan for co-ordinated delivery of technology and business services to Saskatchewan industry;
- An Inventory of Environmental Industries Capabilities was co-funded by Saskatchewan, the other western provinces and the federal government. The results, expected in September of 1992, will be used to promote industry contract opportunities;
- The Science and Technology Division co-ordinated joint research projects involving the University of Saskatchewan (microgravity) and CAMECO (laser processing), with the New Energy Development Organization (NEDO) of Japan;
- Plans for a Saskatchewan Software Engineering Centre were developed for 1992–93 implementation. The centre will be a research and training facility to encourage the development and use of software engineering technologies and methodologies;
- An expansion to the Saskatchewan Accelerator Laboratory will increase applied research capabilities. Provincial funding enabled the laboratory to lever federal and industry funding for this expansion;
- The division led the development of a Long Term Space Plan for Western Canada space programming with the Canadian Space Agency;
- The division worked with BIOSTAR Inc. to help obtain provincial and federal funding for the establishment of a livestock vaccine manufacturing facility;
- The division helped Canamino Inc. to obtain funding for the manufacturing of input constituents used in cosmetics and skin care products;
- Lobbying efforts resulted in the first Defence Industry Productivity Program (DIPP) contracts for Saskatchewan companies (SED Systems Inc. and QCC Communications);

- Under the Networks of Centres of Excellence Program, Saskatchewan researchers and industry received federal funding of $8 million over four years for participation in seven national research and development networks. Research areas are animal bacterial diseases, atmospheric monitoring, robotics and industrial sensors, regeneration of human nerve cells, solar energy research, respiratory health, and toxicology research;

- The division led the western provinces in the Earth Environment Space Initiative (EESI), a co-operative effort to build environmental monitoring satellites by 1996. The project has the potential to generate $50 million in industrial activity and 250 person years of work for Saskatchewan;

- A National Science and Technology Framework for Action was released by the Council of Science and Technology Ministers. The Framework focused on four areas: enhancement of research and development (R&D), increased innovation and technology transfer, development of human resources, and promotion of a science culture;

- The first edition of the 1991 SaskTech Directory was produced. It profiled advanced technology companies and research organizations, and helped them market their products and expertise provincially, nationally and internationally; and

- The 1992 Saskatchewan Software Directory, an inventory of the capabilities, products and services of provincial software developers, was released in March of 1992.

Education and Public Awareness Accomplishments

- The division's support of Science Fairs resulted in an expansion to nine regional fairs, a significant increase from two fairs in 1989. The funding phase-out was completed for this project, with SaskEnergy secured as a corporate sponsor for ongoing support. A Winners' Showcase of student projects has been sponsored annually by the Science and Technology Division;

- Summer Work for Awareness and Promotion of Science, a pilot project with the University of Saskatchewan, was introduced to give high school students a summer work experience with scientists and industry;

- Innovators in the Schools, a program designed to introduce scientists, technologists and engineers to students in a classroom setting, was developed for implementation in 1992. This federal/provincial initiative was introduced in co-operation with the Association of Professional Engineers of Saskatchewan;

- The High Tech Entrepreneur Awards, co-sponsored with Peat Marwick Chartered Accountants and the Saskatchewan Advanced Technology Management Association (SATMA), was held to recognize and honour individuals who have made outstanding contributions to Saskatchewan technology;

- Saskatchewan Science and Technology Week, April 26–May 3, 1991, highlighted the achievements of Saskatchewan's advanced technology industry;

- Saskatchewan participated in National Science and Technology Week, a nation-wide event to raise public awareness of scientific and technological activities and achievements across the country;

- The division secured funding from Industry, Science and Technology Canada to enable A-STEP (Awareness-Science and Technology in Education Project) to carry out a number of projects to help science teachers in obtain necessary resource materials. Projects under this program included a resource directory, tour program, a travelling exhibitions series for teachers and their students, and "What On Earth?" Day; and

- Staff helped the Career Mentoring for Women in Science program develop its database of women scientists.

Policy and Research Division

The objective of the Policy and Research Division was to give advice and analysis on the economy, economic policy, and program development to the department and the government.

Budget Summary

	1990-91	1991-92
PY	5 prof/2 support	5 prof/2 support
Budget	889,160	730,700

The division pursued three priority areas, and achieved the following results:

Research, Analysis & Program Development

- Developed a series of strategic economic options for the province for consideration by Cabinet;
- Developed the provincial position on Western Economic Co-operation;
- Conducted research on the costs and benefits of relocating federal government offices to Saskatchewan, which was used by the Regina Task Force to successfully obtain a commitment from the Farm Credit Corporation to relocate 200 jobs to Regina; and
- Conducted a series of research studies on the long term economic outlook, rural investment, economic competitiveness and community development.

Ministerial Briefing

- Briefed the new Minister and government on the economic issues and opportunities facing Saskatchewan; and
- Prepared more than 200 ministerial and official responses to correspondence, Cabinet decision and information items, and technical briefings.

Executive Intelligence System

- Prepared quarterly updates to a departmental factbook which tracks progress in the provincial economy and action undertaken by the department;
- Developed policy papers for government and public briefings on the Saskatchewan economy and key sectors under EDT's mandate, in addition to regular quarterly executive briefings on the economy and economic outlook; and
- Provided secretariat support for the Premier's Economic Diversification Council. The 18-member council was formed in September 1990 to advise the Government of Saskatchewan on the development and diversification of the Saskatchewan Economy and to advance an economic blueprint for Saskatchewan into the year 2000. The secretariat staffed council meetings, helped the council with consultations, brought forward and co-ordinated the government's response to the council's report, conducted and contracted research for use in the development of a provincial economic blueprint, and prepared a draft economic blueprint for provincial discussion. The secretariat was staffed and budgeted from divisional units within the department.

Internal Operations Division

The objectives of the Internal Operations Division were to provide support and services to the department in the areas of human resources, communications, accounting, budgeting, procurement, systems and asset management.

Budget Summary

	1990-91		1991-92	
	Budget ($)	PYs	Budget ($)	PYs
Human Resources	153,800	3 prof/1/2 support	210,060	3 prof/1 1/2 support
Administration	671,730	2 prof/8 support	727,210	3 prof/9 support
Systems	88,030	1 prof	94,720	1 prof
Communications	5,746,550	11	5,504,300	13 prof/2 support

The division set several broad objectives for the 1991-92 fiscal year. The major objectives were to:

- Develop policy and procedure manuals for human resources, administration and systems, and make them available to all staff. These manuals were developed and placed in an area on the computer network that is accessible to all staff;
- Monitor the budget and work with all divisions to ensure the department completes the fiscal year within its budget. This objective was accomplished by putting in place a budget forecast system and an invoice tracking system;
- Design and implement an Employee Recognition Program for the department. This was accomplished and to the end of April staff received 1 Award of Excellence, 6 Peers Awards, 11 Individual Personal Achievement Awards, 22 Long Service Recognition, and 38 Personal Recognition Awards;
- Ensure department invoices are processed within 30 days of receipt;
- Develop and implement a training scheme using internal facilitators to offer department-specific courses. To the end of April, 1992 16 seminars have been offered, with 98 employees attending. Additional training for department employees was provided through registration in programs offered by the Public Service Commission and other organizations;

Staff Development
April 1, 1991 to March 31, 1992

Training	Number of Seminars	Number of Employees
In-house	19	131
Non-PSC courses	16	26
PSC seminars	37	68
In-province	6	23
Out-of-province	3	3
Tuition	–	8
Seminars hosted by other departments	1	1

- Design a strategic plan for systems and information management for the department. The draft plan has been developed and is currently being revised;
- Implement systems that track physical assets within the department to ensure that they can be located. These systems include keys, computers, office equipment, and credit cards; and
- Deliver a co-ordinated and results-oriented communications program comprised of corporate, public affairs, advertising and promotion activities.

Communications responsibilities were handled through the division's Corporate Communications Branch, which had the following specific objectives:

- Develop and deliver communication strategies for individual programs, initiatives and issues;

- Prepare issues management, ministerial and departmental briefing materials, special presentations and support items;
- Be a media liaison, prepare and co-ordinate interviews and news conferences;
- Research, write and co-ordinate material to meet the department's public affairs requirements for news releases, speeches, articles, newsletters, correspondence, brochures and other written communications;
- Plan, organize and support special events;
- Deliver the department's special events programs, the Lapel Pin Distribution Program, and the Saskatchewan Ambassador Program;
- Design, develop and implement advertising strategies, including public/private sector co-operative marketing programs and research activities for department programs;
- Provide ongoing consultation services to program areas in communication and public relations issues, and review all information for a consistent corporate message; and
- Prepare a draft comprehensive internal communications strategy.

The responsibility for Tourism and Science & Technology communications programs was transferred to the respective program divisions on December 1, 1991. Their communication activities continued to be funded from the existing communications budget.

1991-92 Communication Funding Allocations

Division	Total	Per cent Dist.
Corporate	$ 536,264	11.5
Trade	351,549	7.5
Diversification & Investment	59,810	1.0
Small Business & Co-operatives	163,900	3.5
Science & Technology	92,376	2.5
Tourism	2,843,202	61.0
Community Bonds	587,474	13.0
Total *	**$4,634,575**	**100 per cent**

** (excluding salaries and administration)*

Communication services provided to various divisions of the department included:

- Development of new promotional materials for the Tourism Division (media kit, "place mats" and stationery);
- Co-ordination of the production of two phases of the Community Bonds advertising campaign, and assistance in other promotional activities such as promotion of the 100th Community Bond Corporation;
- Co-development (with the Tourism Division and tourism industry) of new strategies and directions for tourism advertising in 1991-92. The level of consultation with industry was substantially increased;
- Co-ordination of advertising support for the Business Opportunities Show;
- Provision of display, advertising, and logistical support to 12 trade shows and 12 tourism shows;
- Support of special events planning and organization including Festival Canada, Tourism Awareness Week, Science and Technology Week, Saskatchewan Co-operative Merit Awards Program, Hi-tech Technology Entrepreneur Awards, and Canada Day;
- Implementation of the classified ad campaign for investment promotion and production of supporting literature;
- Direction and launch of the Spirit of Saskatchewan campaign across the economic sector to encourage a more positive attitude, with emphasis on its importance to the people of Saskatchewan;

- Co-ordination of communications activities across the economic sector including a communications calendar and pro-active work on enhancing distribution of stories on Saskatchewan's economy and businesses;
- Organization and presentation of first quarterly media briefing on the Saskatchewan economy, in co-operation with Policy and Research;
- Organization of Science and Technology Week, Saskatchewan Co-operative Merit Awards, and High Tech Entrepreneur Awards; and
- Direction and launch of the communications support for the Community Bonds Program.

Additional Non-paid Activities

	1990-91	1991-92
Articles and feature stories	34	40
News releases	112	182
Special events	6	6
Speeches: Ministers/ Deputy Minister	n/a	30
Requests: lapel pins/ ambassador kits	n/a	1,585
Pins issued	n/a	41,500

Projects completed during the fiscal year:

Publications
Spirit of Saskatchewan
Annual Reports
- Reprints (ED&T/1989-90)
- Public Participation
- ED&T (1990-91)
- Wanuskewin

Saskatchewan at a Glance
EMAP Brochure
Trade Statistics
Implement Buyers Guide 1992
Manufacturers Guide 1992
Bonds for Business
Office Relocation leaflet
Starting a Business in Saskatchewan
Co-op Director's Handbook
SaskTech Directory
Software Directory
Saskatchewan Trade and Convention Centre Facilities Guide
Tourism Media Kit
Winter Recreation Guide
Outdoor Adventure Guide 1992
Accommodation Guide
Great Saskatchewan Vacation Book 1992
Events Calendar 1992
Guide to Government Business Programs and Services 1992

Direct Mail
Tax Harmonization Letter

Specialty Items
Advantage Saskatchewan pin card
Proclamation scroll: Co-op Week

Campaigns
Spirit of Saskatchewan
Community Bonds
Internal Tourism 1991
External Tourism 1991
Outdoor Adventure 1992
General Touring 1992

Special Events
Festival Canada 1991
Business Opportunities Show 1991
Saskatchewan Science & Technology Week 1991
Co-operative Merit Awards 1991
Tourism Awareness Week 1991

Trade Shows (support)
Canadian Fine Food Show
Big Iron Show
Canadian Computer Show
Spokane Agricultural Show
Automotive Show
Canadian Food & Beverage Show
Canadian International Farm Equipment Show (CIFE)
Salon International de la Machine Agricole (SIMA)
Farm Equipment Wholesalers Association (FEWA)
Canadian Society of Association Executives (CSAE)
Kansas City Sport Show
Chicago Sport Show

Seattle Sport Show
St. Louis Sport Show
Wichita Sport Show
Minneapolis Sport Show
Salt Lake City Sport Show
Rendez-vous Canada Show

Ads
Agribition ads
Canadian Dream ads
Implement Buyers Guide ads
CIFE ad
Globe & Mail Investment ads
Community Matching Program ads
Investment classified ads
Business Opportunities Show ads
Science & Technology Week ads
Spirit of Saskatchewan ads
Community Bond ads
External Tourism ads
General Touring ads
Outdoor Adventure ads
Internal Tourism ads
General Touring Campaign ads

Projects in progress at the end of the fiscal year:

Publications/Print Material
Investor Information Guide sheets
ED&T Annual Report 1991-92
Community Bond Application
Community Bond Incorporation Certificate

Specialty Items
Ambassador Kits
Lapel Pins
Presentation Items

Special Events
Saskatchewan Tourism Awareness Week

Trade Shows
National Petroleum Show
Canada Day Pavilion, Calgary Stampede
Canadian Fine Food Show

Community Bonds

The Community Bond Program was launched in May 1990 with the passage of *The Community Bonds Act*. Community bonds raise capital for equity investment in commercially viable community economic development projects. *The Community Bonds Act* was administered jointly between the staff of Economic Diversification and Trade, and the staff and funds of the Saskatchewan Diversification Corporation.

During the fiscal year:

- 82 community bond corporations were incorporated, bringing the program total to 131 corporations. An additional 67 were anticipated;
- 130 meetings were attended by 1,468 representatives wanting information about bonds, and the Community Bond Office handled 963 inquiries;
- 45 active community bond projects were in progress; and
- 3,268 Saskatchewan people had invested a total of $6,783,900 in their communities through 17 community bond offering that had been completed, for a program total of 4,174 investors and a total of $7,834,100 in 19 bond offers.

Deputy Minister's Overview of the Future

At the beginning of the 1992–93 fiscal year, the Department of Economic Diversification and Trade was renamed the Department of Economic Development, and the structure and operation were streamlined. This revised organizational structure is intended to more closely reflect the needs of the department's various client groups.

Revisions to this department's mandate and structure will be only one element of the total government-wide review. The 1992-93 fiscal year will involve a major re-focus of all provincial programs and services related to economic development.

An important part of this review to set our future directions will be the development of a provincial economic strategy. In consultation with all vested interest groups, the government will devise a business plan which will be the implemented as the province's economic blueprint.

The Department of Economic Development will be the focal point for the provincial government's economic recovery and development activities. We will actively encourage diversification of Saskatchewan's economy by providing a range of programs and services in support of manufacturing, small business, co-operative, service and tourism activities.

The department will strongly support the government's commitment, and the Saskatchewan tradition, of working together. We will work in consultation and collaboration with the public, private and co-operative sectors to rebuild our province.